

HOUSE BILL 984

By Dunn

AN ACT to amend Tennessee Code Annotated, Title 7, Chapter 36, Part 1 and Title 7, Chapter 52, relative to the disposition of an electric plant of a municipal electric system.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 7-52-132, is amended by deleting the section and substituting the following:

A municipality may dispose of all or substantially all of the electric plant of a municipal electric system operating pursuant to this part or pursuant to otherwise applicable law only if:

- (1) The supervisory body approves it;
- (2) The governing body of the municipality:
  - (A) Holds a public hearing on the proposed disposition that publicly discloses:
    - (i) A full description of the proposed property to be disposed of;
    - (ii) The proposed purchaser or purchasers of the property;
    - (iii) The proposed purchase price;
    - (iv) The proposed terms or conditions of sale if the disposition is not for cash, payable in full at the time of the disposition; and
    - (v) Any actions, comments, or determinations by the Tennessee Valley authority on the proposed disposition; and

(B) Holds a second public hearing occurring at least one hundred eighty (180) days after the first public hearing and adopts a resolution stating in substance:

(i) That the supervisory body has approved the proposed disposition;

(ii) A full description of the property to be disposed of;

(iii) The purchaser or purchasers of the property;

(iv) The purchase price;

(v) The terms or conditions of the proposed sale if the disposition is not for cash, payable in full at the time of the disposition;

(vi) Any actions, comments, or determinations by the Tennessee Valley authority on the proposed disposition;

(vii) The date or dates on which the election will be held;

(viii) The place or places where votes may be cast; and

(ix) The hours when the voting places may be open; and

(3) A majority of those voting in an election approves the disposition. At the election, the ballot must contain the words "For the disposition of the electric plant" and "Against the disposition of the electric plant".

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it, and shall apply to dispositions proposed on or after the effective date of this act.